

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Branch Cable, Inc.	)	File No. EB-02-TS-069
	)	
Operator of Cable Systems in:	)	
	)	
Ackerman, Mississippi	)	
Bude, Mississippi	)	
Crosby, Mississippi	)	
Isola, Mississippi	)	
Louise, Mississippi	)	
New Augusta, Mississippi	)	
New Hebron, Mississippi	)	
Roxie, Mississippi	)	
Warren County, Mississippi	)	
	)	
Request for Waiver of Section 11.11(a) of the	)	
Commission's Rules	)	

**ORDER**

**Adopted: June 19, 2002**

**Released: June 24, 2002**

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

1. In this *Order*, we grant Branch Cable, Inc., ("Branch") temporary waivers of Section 11.11(a) of the Commission's Rules ("Rules") for the nine above-captioned cable television systems. Specifically, we grant a temporary, 12-month waiver of Section 11.11(a) for the Ackerman, Mississippi, and Bude, Mississippi systems and temporary, 36-month waivers of Section 11.11(a) for the Crosby, Mississippi; Isola Mississippi; Louise, Mississippi; New Augusta, Mississippi; New Hebron, Mississippi; Roxie, Mississippi, and Warren County, Mississippi systems. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.<sup>1</sup>

2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.<sup>2</sup> In

<sup>1</sup> 47 C.F.R. § 11.11(a).

<sup>2</sup> Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations ...." 47 U.S.C. § 544(g).

1994, the Commission adopted rules requiring cable systems to participate in EAS.<sup>3</sup> In 1997, the Commission amended the EAS rules to provide financial relief for small cable systems.<sup>4</sup> The Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).<sup>5</sup> However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.<sup>6</sup> In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.<sup>7</sup> The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.<sup>8</sup>

3. On February 12, 2002, Branch filed a request for a waiver of Section 11.11(a) for each of the nine captioned cable systems. In support of its waiver request, Branch states that each of the nine systems serves small, rural communities and has a total of 3,030 subscribers. Specifically, Branch indicates that the nine systems each serve between 98 and 869 subscribers, with five of the systems serving fewer than 200 subscribers. Based on price quotes between \$6,995 and \$9,310 provided by EAS equipment manufacturers, Branch estimates that it would cost a total of approximately \$100,000 to install EAS equipment at these cable systems. Branch asserts that this cost will impose a substantial financial hardship on it and provides its financial statements for 2000 and 2001 in support of this assertion. In addition, Branch submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, Branch notes that its subscribers will have national EAS messages from at least two 24-hour programmed channels. Branch also asserts that its subscribers will have access to EAS information through over-the-air reception of broadcast television and radio stations. Finally, Branch states that local and county civil defense alert systems cover many of the communities served by these cable systems.

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<sup>3</sup> *Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making*, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

<sup>4</sup> *Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order*, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and Order").

<sup>5</sup> *Id.* at 15512-13.

<sup>6</sup> *Id.* at 15516-15518.

<sup>7</sup> *Id.* at 15513.

<sup>8</sup> *Id.* at 15513, n. 59.

4. Based upon our review of the financial data and other information submitted by Branch we conclude that a temporary, 12-month waiver of Section 11.11(a) for the Ackerman, and Bude, Mississippi systems is warranted. In addition, a temporary 36-month waiver of Section 11.11(a) for the Crosby, Isola, Louise, New Augusta, New Hebron, Roxie, and Warren County, Mississippi systems is warranted.<sup>9</sup> In particular, we find that the estimated \$100,000 cost of EAS equipment for these cable systems could impose a financial hardship on Branch.

5. We note that the Commission recently amended the EAS rules to permit cable systems serving fewer than 5,000 subscribers to install FCC-certified decoder-only units, rather than both encoders and decoders, if such a device becomes available.<sup>10</sup> Based on comments from equipment manufacturers, we anticipate that such a decoder-only system could result in significant cost savings to small cable systems.<sup>11</sup>

6. Accordingly, **IT IS ORDERED** that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules,<sup>12</sup> Branch Cable, Inc. **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2003 for its Ackerman, Mississippi, and Bude, Mississippi cable systems and **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2005 for its Crosby, Mississippi; Isola, Mississippi; Louise, Mississippi; New Augusta, Mississippi; New Hebron, Mississippi; Roxie, Mississippi, and Warren County, Mississippi cable systems.

7. **IT IS FURTHER ORDERED** that Branch Cable, Inc. place a copy of this waiver in its system files.

8. **IT IS FURTHER ORDERED** that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested to counsel for Branch Cable, Inc., Pamela L. Gist, Esq., Lukas, Nace, Gutierrez & Sachs, Chartered, 1111 19<sup>th</sup> Street, N.W., Suite 1200, Washington, DC 20036.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey  
Chief, Technical and Public Safety Division  
Enforcement Bureau

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<sup>9</sup> The waivers for Ackerman and Bude, Mississippi will extend 12 months from October 1, 2002, until October 1, 2003 and the waivers for Crosby, Isola, Louise, New Augusta, New Hebron, Roxie, and Warren County Mississippi will extend from October 1, 2002 until October 1, 2005. We clarify that the waivers we are granting also encompass the EAS testing and monitoring requirements.

<sup>10</sup> *Amendment of Part 11 of the Commission's Rules Regarding the Emergency Alert System*, EB Docket 01-66, FCC 02-64 at ¶ 71 (released February 26, 2002).

<sup>11</sup> One manufacturer estimated that an EAS decoder-only system can reduce the cost by 64% over what a cable operator would spend for an encoder/decoder unit. *Id.* at ¶ 70.

<sup>12</sup> 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.